KARNATAKA MOTOR VEHICLES (TAXATION ON PASSENGERS AND GOODS) (AMENDMENT) BILL, 1975.

Motion to Consider

SRI MOHAMMED ALI (Minister for Transport).—Sir, I beg to move :

"That the Karnataka Motor Vehicles (Taxation on passengers and Goods) (Amendment) Bill, 19 5 be taken into consideration."

Mr. DEPUTY SPEAKER.—Motion moved :

"That the Karnataka Motor Vehicles (Taxation on Passengers and Goods) (Amendment) Bill, 1975 be taken into consideration."

† SRI MOHAMMED ALI.—Sir, this is a consequential Bill. It seeks to levy a surcharge of 10 percent on all fares and freights paid by passengers luggage and goods carried by Stage carriages, contract carriages and public carriages payable to the operators of stage carriages, contract carriages and public carriers.

† SRI T. R. SHAMANNA.—Sir, this Bill, carriers the same objections that I have raised formerly. But I have to give some other objections to show that this is a black Bill and that it should not be given effect to. In the first instance, Government has failed to give satisfaction to the people to enable them to lead a happy life. I feel they have no moral right to levy this tax because they are unable to make them live comfortably though not luxuriously. The Government is so particular about improving the roads and bridges of the P.W.D. Since the last so many years we have been urging that the Government should see that the compensation paid to the municipalities and corporations should be increased to meet the present day requirements. Fifty percent of the motor vehicles tax collected in the State is collected from taxation in Bangalore City. I have stated a number of times that since 1967 they are paying as compensation for toll and vehicle tax 4.5 lakhs. At that time the motor vehicls tax that was collected in Bangalore City was hardly 4 or 5 lakhs. Today it is 13 and odd crores. It has gone up by more than twenty times. In 1957 the Bangalore City Corporation was spending only Rs. 10 lakhs for maintenance of roads and keeping the roads in good condition. Today we are spending more than 100 lakhs. The same is the position in Mysore, Mangalore, Hubli-Dharwar and other big corporations. So, the Government is collecting 20 times more by way of tax but are paying a niggardly compensation that was fixed in 1957. So, it is very unreasonable. Several committees have stated this matter and even Finance Committee constituted for suggesting measures to raise the resources have felt that the compensation given to the corpora-

tion and municipalities should be enhanced. I am told that the Committee appointed to enquire into the finances of the local bodies have recommended that the Government should raise the compensation given to the local authorities. On the one hand you say that the roads should be improved. But you are denying the compensation that is legitimately due to them. Therefore, I want a categorical assurance that the Government would give at least 50 per cent of the motor vehicles tax for improving the roads all over the State.

11-30 A. M.

As I have already stated this additional levy will cause a great harassment to the travelling public. Our Hon. Minister said that there is no objection. I am sorry to state that when in the Assembly we say that it will cause hardship, the Government says that there will not be any hardship However strongly we might oppose, neither the voice of the people nor the shouting of the opposition here, will fetch any better benefit than what the Government intends to do in its own way. I say that the travelling public will be put to a great harassment. Take my own case. The hon. Minister was good enough to say that a car has been allotted to me, particularly when a Fat car was asked for months together. Unless pressure is brought one would not get. I had asked for it in the March allotment. So, within three days I got an order that a car has been allotted. I am thankful. But what about the price ? Out of Rs. 35,000, at least I have to borrow Rs. 30,000. If I were to calculate the interest I have to pay at 15 per cent, salary of a driver, etc., the cost of maintenance easily comes to about Rs. 1,100 per month. It is true that I get about Rs. 2,000. Can I spend 50 percent of my earnings for the maintenance of a car. If I spend that Rs. 1,000 I can give a better living to my people. I am just finding it impossible. Unless one is a Minister—he has the previlege of his expenditure being borne by the Government...

SRI MOHAMMED ALI.—I get an allowance of the Rs. 500 and I am paying a bill of Rs. 1,100 to 1,200 per month.

SRI T R. SHAMANNA.—Therefore this tax will directly or indirectly hit the people, particularly the tax on passengers and goods. Naturally the Road Transport Corporation will have to increase its fare ; private operators will find it difficult and they will increase their rates. You are already having enough trouble from Autorickshaws when you reduced the rate from 90 pase to 75 paise. They insist that they should get 90 paise and I am sure instead of 90 paise it may go up to Re. 1. Already you have increased the bus fare and sooner than later the private operators will also increase their rates. The contract carriage permit holders also will increase because they have to spend not only for getting permit but have to pay higher

amount for fuel. All these will cost the travelling public. Therefore, I urge upon the Government to consider the great inconvenience that would be caused and the great hardship they will be put to. Further, I say that the Government has no moral right to go on increasing the taxes I urge that the Bill be withdrawn.

† SRI M. MOHAMED ALI.—The hon member said that he has got some objections regarding this Bill. In that case I have got some replies. Sri Shamanna raised the question of compensation to be paid to the corporation and municipalities, after the abolition of toll tax and introducing motor vehicles tax. Under section 20 of the Motor Vehicles Tax Act, the corporation and municipalities are entitled to get three years average income as on 31st March 1958 and based on that compensation has been assessed. In a number of cases the compensation is very low and it is also true that the cost of maintenance of roads has considerably increased, in the cities and towns. Therefore, the question was referred to the Bhoothalingam Committee which has made recommendation that the question of giving outright grants for maintenance of roads may be considered separately by the Government and that arrangement has got to be made to pay from general funds and not from a part of the motor vehicles tax. This subject has been examined and is under the consideration of the Kharge Committee and as and when that Committee's report is made available to the Government, this question will certainly be taken into consideration and the Government, I hope, will consider this question in its correct perspective. In regard what has been urged by the hon member Sri Shamanna that this will increase the cost of freights, I have to say that the freights of Stage carriage has been regulated by a Goverement Order and the maximum fares that can be levied is 5 paise per kilometer, and whatever revision the Road Transport Corporation has made is within the maximum limit permissible. It may be true that the tax may be increased. But the Government has put a limit on the fares also. Therefore, there is no scope for indiscriminate increase of fares. The fear expressed by the Hon. Member that it will be beyond the capacity of the common man is baseless because he has conveniently ignored the fact that the fares are regulated by order of Government. Even the rise in prices of petroleum products has not affected the goods traffic. The Hon. Member spoke about the hardship of taxies. The T.P.G. is not applicable to them. It is applicable in respect of vehicles carrying goods. The increase in cost of travelling fare for public is not much. We cannot compare the increase in the cost of charges of lorries or public vehicles carrying goods with that of the taxies The question of a car or a taxi is quite distinct from that of a lorry or a bus. There the cost of high speed diesel oil has not been increased and with the result the Government has raised the fares only to the reasonable minimum limit. Whatever the Road Transport Corporation has increased is only within the reasonable limits.

MR. DEPUTY SPEAKER.—The question is.

"That the Karnataka Motor Vehicles (Taxation on passengers and Goods) (Amendment) Bill, 1975 be taken into consideration."

The motion was adopted

Clause 2.

MR. DEPUTY SPEAKER.—Now I will take up the Bill, clause-by clause. There is an amendment to clause 2 tabled by Hon. Member Sri T.R. Shamanna.

SRI T R SHAMANNA.—I move :

"That in the proposed Section 3A. for the word 'Ten" the word "Five" shall be substituted.

That in the proviso to sub-section (2) of the propo ed section 3A, line 3, for the word 'April' the word 'May' shall be substituted.

That at the end of sub-section (1) of the proposed section 3B the following shall be added :

"The Government shall contribute a matching grant to the Karnataka Roads and Bridges Fund. ""

MR. DEPUTY SPEAKER —Amendments moved :

"That in the proposed Section 3A, for the word "Ten" the w rd "Five" shall be substituted.

That in the proviso to sub-section (2) of the proposed section 3A, line 3, for the word "April" the word "May shall be substituted.

That at the end of sub-section (1) of the proposed seetion 3B the following shall be added :

"The Government shall contribute a matching grant to the Karnataka Roads and Bridges Fund". "

SRI T. R. SHAMANNA.—I have already stated that in the first instance additional levy should not be levied and since that was not being accepted atleast I would r quest the Government to reduce this additional levy from 10 percent to 5 percent. That is why I have moved this amendment.

SRI MOHAMED ALI.—I have already tried to impress upon the Hon. Member that 10 percent increase is not unreasonable. So far as motor vehicle taxation is concerned Mysore is the lowest when compared to other States.

In Tamil Nadu and in Andhra Pradesh they have merged the surcharge in the tax. We have put surcharge here to create a separate fund for road development, otherwise, the very purpose for which it is done would not have been served.

MR. DEPUTY SPEAKER.—The question is :

"That in the proposed Section 3A for the word "Ten" the word "Five" shall be substituted :

That in the proviso to sub-section (2) of the proposed Section 3A, line 3, for the word "April" the word "May" shall be substituted.

That at the end of sub-section (1) of the proposed Section 3B the following shall be added :

'The Government shall contribute a matching grant to the Karnataka Roads and Bridges Fund'. "

The amendment was negatived

MR. DEPUTY SPEAKER.—I put clause 2 to the vote of the House. The question is :

"That clause 2 do stand part of the Bill."

The motion was adopted

Class 2 was added to the Bill.

Clause 1 Etc.,

MR DEPUTY SPEAKER.—There is an amendment to clause 1 tabled by the Hon. Member Mr. Shamanna.

SRI T. R. SHAMANNA —I move :

"That in sub-clause (2) for the word "April" the word "May" shall be substituted."

MR DEPUTY SPEAKER —Amendment moved :

" That in sub-clause (2) for the word "April" the word "May" shall be substituted."

† SRI T. R. SHAMANNA.—Here I would like to ask the Hon. Minister how he would judge as to which passengers travelled and the goods transmitted now by having given effect to the enactment from April. The well-accepted theory in taxation is that, as far as possible, the tax should be levied and given effect to after the legislation is brought into effect. No doubt since the Government has absolute majority in this House they may pass this legislation, But when this Bill goes to the other House, a duf it is turned down. as was done in one or two instances. then what would be the position? Therefore I would request the Hon. Minister to accept my amendment to give effect to this Act trom May instead of from April.

† SRI MOHAMED ALI —This Bill will come into force from -4-1975. The argument of the Hon. Member is not correct. How this could be collected from a previous date is a question which we would work it out. Under the existing Act itself the tax on passengers and goods is being collected and the same procedure will be followed. I cannot accept the amendment.

MR. DEPUTY SPEAKER : The question is :

"That in sub-clause (2) for the word "April" the word "May" shall be substituted. "

The amendment was negatived

MR. DEPUTY SPEAKER : The question is .

"T at clause 1, tte long Title, the Preamble and the Enacting Formula do stand part of the Bill. "

The motion was adopted

Clause 1, long Title, the Preamble and the Enacting Formula were added to the Bill.*

Motion to pass

SRI A. MOHAMED ALI.—Sir, I move :

"That the Karnataka Motor Vehicles (Taxation on passengers and goods) (Amendment) Bill, 1975 be passed. "

MR. DEPUTY SPEAKER : The question is :

"That the Karnataka Motor Vehicles (Taxation on Passengers and goods) (Amendment) Bill, 1975 be passed. "

The motion was adopted and the Bill was passed

KARNATAKA RELIGIOUS AND CHARITABLE INSTITUTIONS AND TRUST BILL, 1974.

Motion to consider

SRI N. HUCHMASTHY GOWDA (Minister for Revenue). — Sir, I move

"That the Karnata a Religious and Charitable institutions and Trust Bill, 1974 be taken into consideration"

MR. DEPUTY SPEAKER —Motion moved.

"That the Karnataka Religious and Charitable Institutions and Trust Bill, 1974 be taken into consideration"

† ಶ್ರೀ ಎನ್. ಹುಚ್ಚಮಾಸ್ತಿಗೌಡ.— ಮಾನ್ಯ ಅಧ್ಯಕ್ಷರೇ ಈ ರಾಜ್ಯದ ಪುನರ್ವಿಂಗಡಣೆ ಯಾಗುವಾಗ ೫ ಭಾಗಗಳು ಒಟ್ಟಿಗೆ ಸೇರಿ ಈ ರಾಜ್ಯದ ಪುನರ್ವಿಂಗಡಣೆಯಾಯಿತು. ಅಂದಿನಿಂದ ಈ ೫ ಭಾಗಗಳಲ್ಲ ಈ ಸಂಸ್ಥೆಗಳಿಗೆ ಸಂಬಂಧಪಟ್ಟಂತ ೫ ವಿಧವಾದಂಥ ಕಾನೂನುಗಳು ಜಾರಿಯಲ್ಲಿವೆ. ಒಂದೊಂದು ಭಾಗದಲ್ಲಿ ಒಂದೊಂದು ರೀತಿಯ ಕಾನೂನುಗಳು ಇಂದಿಗೂ ಸಹ ಜಾರಿಯಲ್ಲಿವೆ The Madras Hindu Charitable and Endowment Act 1950 as amended in 954, the Bombay Public Trusts Act 1950, the Hyderabad